

Central Intelligence Agency



Washington, D.C. 20505

## DIRECTORATE OF INTELLIGENCE

1 February 1982

MEMORANDUM

## TAIWAN: REACTION TO US ARMS SALE ANNOUNCEMENT

*Summary*

Taiwan will continue to press the United States for improvements in the bilateral relationship despite its acceptance of the decision to provide additional F5E aircraft in the face of strong protests from Beijing. Taipei especially wants assurances that arms sales will continue over the longer term. Its initiatives are unlikely to include pressure for the FX, although Taiwan officials will probably push to have the F5E upgraded as much as technically possible. The leadership's relative satisfaction with the F5E arrangement stems in part from a desire to avoid criticism on its handling of the US connection. Some members of the bureaucracy, nonetheless, are unhappy with the US decision, and they will probably press the leadership to adopt a tougher stance with the US.

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Public and Private Reactions

Taiwan's official public reaction to the US decision on the FX was upbeat, reflecting perhaps the leadership's fear that no aircraft would be sold. The Foreign Ministry statement, which "welcomed" the aircraft sale, took pains to characterize it as the "US Government's reaffirmation of its concern for the continued well being" of Taiwan. While the statement also noted that the US action underscored Washington's "unchanged and long-standing policy of providing defensive weapons to the island," the Foreign Ministry pointedly disagreed with the view that Taiwan had no military need for more advanced aircraft and argued

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that China's intention to use force to invade Taiwan was unchanged." In short, Taiwan's public position left the door open for additional requests for advanced weaponry. [REDACTED]

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Treatment of the arms sales question by the media, which continues to toe the line laid down by President Chiang Ching-kuo last summer, has been straightforward and accurate. The press has resisted the temptation to speculate about the future or to treat the sale in ways certain to irritate Beijing. Some independent journals continue to be implicitly critical of the ban on speculation, however, and at least one newspaper reprinted statements by US academics noting that Taiwan had not pressed its case hard enough with Washington. Direct criticism has been reserved for the US statement that Taiwan has no need for an advanced fighter aircraft. [REDACTED]

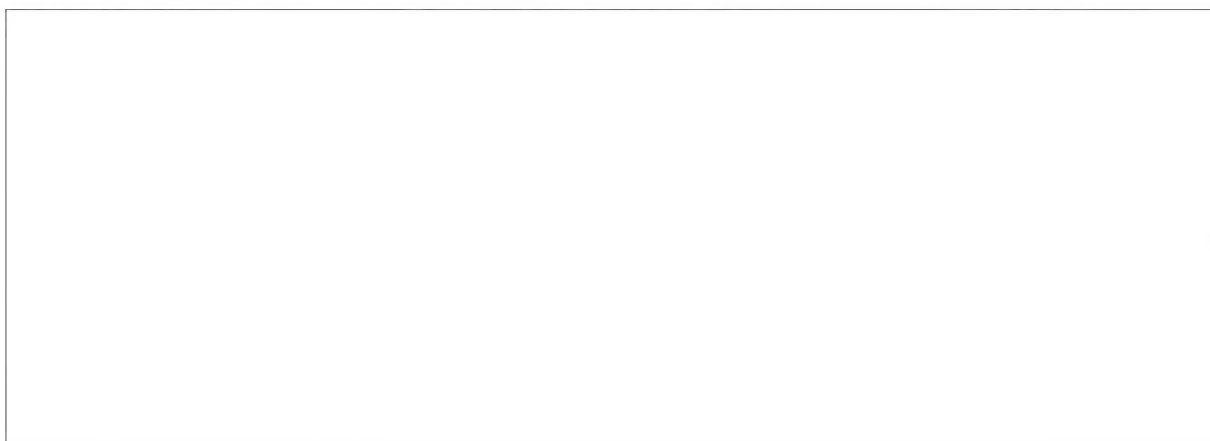
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Officials on Taiwan are satisfied with the results, although they, too, indicate that Taipei will continue to press the US on the arms sales question. The general feeling seems to be that the F5E sale is the best that can be expected; Taiwan retains the option of pushing for provision of improved avionics to make the F5E capable of all-weather operations. [REDACTED]

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#### Some Crosscurrents in the Leadership

There are still elements within the bureaucracy who are dissatisfied with the US decision, and particularly with the way that the leadership has managed relations with Washington.



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-- This theme was repeated by several scholars and politicians who argued that the US "retreat" on the FX sale will encourage Beijing to press Washington even harder on the question of arms sales to Taiwan. One elected official, a member of the Legislative Yuan, publicly called the US decision "cowardly" and was also critical of the Foreign Ministry's handling of relations with the US. [REDACTED]

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the possibility of a link with the Soviet Union. This idea has been raised previously as a way to pressure Washington, although it is strongly opposed by Chiang Ching-kuo and has always been rejected. Like other options--such as the development of nuclear weapons--that may be discussed in private because of the FX decision, the Soviet issue may well surface publicly if one or another group believes that leaking more dramatic choices will further its interest or influence the US.

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### Implications

Taiwan has so far shown no inclination to abandon its quiet diplomacy in dealing with the US, and opponents of the low key approach have no significant influence. Taiwan's decision to treat the announcement favorably reflects the leadership's concern that it be seen as successfully managing the US connection. In fact, since mid-1981 Taiwan has portrayed the US leadership favorably, stressing Washington's anti-Soviet stance and, perhaps most importantly for Taipei, recording the problems in US-China relations. In doing so, President Chiang has averred repeatedly that the US is concerned about Taiwan's future and has thereby positioned himself well to picture the FX decision in a favorable light. Taiwan is also pleased with what it perceives as other favorable trends in the US relationship that provide a cushion for its failure to acquire the FX.

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Despite its acceptance of the arms sale decision--some officials reportedly had feared that the US might halt all sales to Taiwan under pressure from Beijing--Taiwan is still not convinced of the long-term durability of its relations with Washington and, in particular, of the reliability of the US as an arms supplier. Thus, Taiwan will continue to press the US hard on a number of bilateral issues, as it seeks consistently to reassure itself--and its populace--about relations with Washington. Chiang wants to put US-Taiwan relations on the firmest footing possible. He apparently views the term of the current administration as the best time to establish the precedents and interpretations of the Taiwan Relations Act. The arms sale decision will not change this policy.

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SUBJECT: Taiwan: Reaction to US Arms Sale Announcement

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